Division of Oil, Gas, & Mining Mining Report 08/01/94 MINE ID: S0150066 MINE NAME: CHIMNEY ROCK II OPERATOR: CHIMNEY ROCK RESOURCES INC CONTACT: STEPHEN POWELL, PRESIDENT ADDRESS: P O BOX 602 ORANGEVILLE UT 84537 PHONE: (801)748-5758 Surface Owner: STATE BLM #: Mineral Owner: STATE Lease #: ML 45089 Qtr-Qtr-Qtrl Qtr-Qtrl Qtrl Qtr-Qtr-Qtr2 Qtr-Qtr2 Qtr2 Town Range Sec 19.0S 11.0E 19.0S 11.0E NE ΝĚ SE 11 NW NW SW 12 19.0S Permit Status: APP Mine Type [(S)urface, (U)nderground]: S Mine Status (PRO, ACT, SUS, RET): ACT Acreage: Minerals Mined LIMESTONE DATE TENTATIVE APPROVAL FINAL APPROVAL LAST INSPECTED RECEIVED DATE DATE 12/04/92 12/01/92 11/25/92 BOND TYPE: N/A BOND AMOUNT: ANNUAL REPORT YEAR: YTD Total DATE ISSUED: DATE ISSUED: DATE REC'D: NONCOMP NOTICES: 0 0 DATE RESOLVED: VIOLATIONS: 0 DATE RESOLVED: DATE APPROVED: REVISIONS: 0 0 AMENDMENTS: 0 DATE REC'D: DATE APPROVED: COMMENTS: OPERATOR REQUESTED VARIANCE FROM TOPSOIL REQUIREMENT. INSPECTION MADE TO DETER MINE IF REQUEST WAS VIABLE. TOPSOIL VARIANCE WILL NOT BE GRANTED IN FULL. THERE IS ENOUGH FINE MATERIAL THAT CAN BE SALVAGED FOR RECLAMATION PURPOSES WHICH THE OPERATOR WILL HAVE TO STOCKPILE. THE OPERATOR IS ALREADY SALVAGING THE TOPSOIL IN A SATISFACTORY MANNER.

STATE LANDS REQUIRING BOND (25,000) BY 6/13/94 OR LEASE MAY BE CANCELLED. SITLA REC'D NOTICE THAT NO DISTURBANCE; THEREFORE LEASES BACK TO GOOD STANDING